

Essay

China - Pakistan Economic Corridor
and its socio-economic Implications for the
region and the world.

Outline

- 1- Introduction ✓
- 2- Promotion of trade and Importance of CPEC. ✓
- 3- Socio-Economic Implications of CPEC. ✓
- 4- Regional level:
 - a- Promotion of security and development. ✓
 - b- Pakistan as an economic hub.
 - c- Promoting peace and ~~mutual~~ inter-dependence.
 - d- Regional stability and promotion of cultural diplomacy. ✓
 - e- existing routes and importance of CPEC
- 5- Global level:
 - a- Most populated region of the world and USA-China trade rivalry. ✓
 - b- Malacca Dilemma and alternative route for China. ✓
 - c- Sea power theory (Alfred Mahan) choke points as key actors. ✓
 - d- Systematic rivalry of China and Institutional Overlap theory. ✓
 - e- China's image as soft power and concept of global North and South. ✓
- 6- Conclusion.

Outline should be more
comprehensive and self-explanatory

China Pakistan economic corridor is a bilateral project under the grand strategy of China (BRI). The project initially focuses on connectivity and development of infrastructure and routes. The main purpose of CPEC is to maximize the trade and access to different regions. Moreover, the relations between Pakistan and China are so strong and by CPEC their bonding in future will have more strength. CPEC is not only trade route but also it has socio-economic implications on both countries. In case of China, China is the rising power and progress through trade in the world. On the other hand Pakistan has faced low economic crisis, and through BRI or CPEC Pakistan has a chance to boost their economy. Through the CPEC Pakistan has become economic hub in the region as well as in the world. Similarly, the trade routes and the regional stability has been promoting through this project. On the one hand it act as a balancing the rivalry of India and Pakistan, on the other hand common interest and interdependence between states promote peace. Furthermore, the CPEC is a project to connection between regions, and also implications on world affairs. CPEC is directly challenging the USA hegemonic status in South Asia as well as. USA-China trade rivalry. Consequently the politics of sea and control in choke points is matter.

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China's grand strategy or dragon policy have so many wings and China want to spread their trade smoothly. First of all infrastructure and development under CPEC is the most important for Pakistan. The route of CPEC is a key to success in security as well as development. The CPEC was started from the northern most part of Pakistan and ended at Gwadar port.

The northern areas are linked with China as well as with Indian territory, so CPEC provides better security in northern areas.

Similarly, in Balochistan the development rate is so low as well as border with Iran. CPEC has travel through Balochistan and Balochistan has so important. The development of Balochistan is possible under the project of CPEC. Moreover, security problems can also be reduced.

The economic conditions of Pakistan is not good due to less development and advancement in technology as well as no active trade routes. The investment of China in CPEC make Pakistan as an economic hub. The geographical position of Pakistan is so important that influences through CPEC in South Asian as well as Central Asia and Middle Eastern countries. The Pakistan has able to trade through land as well as by sea routes. Similarly, through CPEC many projects shifts technology from China to Pakistan by which the advancement in Pakistan has possible. Consequently, the socialization among two nations are possible by which they

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will have linked in future. The route of CPEC is shorter and clearer for China and so important for China. The CPEC is a good tool for the promotion of trade.

The CPEC has influenced in Asian politics and promoting peace and security among states. The landlocked countries as well as those countries which have capital but no trade route has get benefit through CPEC. Whenever the states behaves collectively in promotion of trade their common interest will linked with each other by which peace promotion is possible. Moreover, the Asian countries have so backward in cross border trade due to trust dilemma and security problems. The CPEC has promoting cross border trade by which soft image of other state is promoted and ultimate goal to gain peace is possible.

Similarly, mutual interdependence among states. Those states who are rich in capital use their capital and those state where labour has low cost use their labour, similarly, those states which are good to make specific products are linked with those states which are good in making of ordinary products. The mutual interdependence among states has been possible through CPEC. The regions where raw material is cheap but they are not technological advanced has also get chance to strengthen their economy by new agreements and projects with developed countries. The geography of Pakistan can not be ignored.

at any cost and CPEC future is not only linking of China with Pakistan, but also Pakistan to Afghanistan, UAEs and Iran which is good signed for future.

Furthermore, the CPEC has capability to maintain regional stability. Pakistan and India are two rivalry states. The India is a rising economy in the world by the support of USA, and the rising economy is threat for the sovereignty of Pakistan, because India has supporting many non-state actors which promotes insurgency in Pakistan. The Pakistan want to strengthen their economy through CPEC and balancing the economy of India. Now, the war between states are not militarily but economically through trade and development. The entire CPEC is promoting security as well as economic boost to Pakistan which is balancing the act of rival state. Similarly, the CPEC has promoted regional connectivity by low trade barriers, if other states of Asia linked with each other so definitely India also want to be a part of project because the trade with neighboring countries promotes regional stability. For example: European Union, middle Eastern countries and North America.

On the one hand CPEC has promote regional stability, on the other hand, can be promoting the cultural diplomacy. According to the thesis of P. Huntington after the collapsed of USSR "Clash of civilization", which gave future clashes and dynamics of wars

among states. The CPEC is connecting the Asian region with **middle East, Africa** as well as access to Eurasia. All these regions have **different cultures** and values. The common among all regions state is their national interest, they all want to promote trade and secure their national interest. The CPEC has ability to influence softly with these **nations** and one nation may promote their cultural soft image to others. In case of Pakistan the western Europe and India want to promote the image of Pakistan as an **terrorist states** but tourist and Foreign relations commissions projecting the image of Pakistan as most peaceful country as well as encourages the hospitality of people. Similarly, other countries have also some barriers which can be reduced through it.

Furthermore, the region has complex and dynamic trade routes, Existing trade routes are so **longer** and costly. The Asian countries have most population but due to their geographical problems and animity easy flow of trade is not possible among states. The countries are signed with other projects also on which the **basic agenda** is promotion of trade among states. The west and USA also want to maintain their hegemonic status in the Asia as well as middle eastern region and the world so they are playing very **energy** to stop or contained the China within region.

The CPEC has important regional as well as globally, due to rising of China. USA want to contain China within region and Asia is becoming balancing region between USA and China. World's highest population or more than one-third of the population live in this region. Moreover, three Nuclear states are adjacent to each other in Asia only three states which declared as nuclear states in which China, India and Pakistan are involving. Now, USA give aid and military security to the India and make competitor of China, at regional level to contain China within region. So by balance the dilemma the China has also want some big ally in South Asia or Asia to counter the enemy. In that case Pakistan and CPEC are the lifeline for China.

Similarly, the USA has influenced in South East Asian countries and the most important countries, which are in the block of USA are Indonesia and Malaysia. The importance of these countries is high due to Strait of Malacca and 80% of China's trade happens through this trade. China is an imposing oil from middle eastern countries and only passage to Indian ocean is Strait of Malacca and Strait of Taiwan in South China Sea. It is not wrong to say that to reduce the Malacca dilemma China.

has need of alternative route and the alternative route is CPEC. Through Strait of Malacca China has covered very long distance to reach middle east but through CPEC the distance is reduced.

Moreover, according to Alfred Mahan the power of seas hangs, that claimed that the future is for those states who have maritime trade routes and navy power. So, China claimed the South China sea always, whose the Strait of Taiwan is present. Similarly, launching the project of String of pearls by which access is possible in Indian Ocean region. On the other hand through CPEC China has able to reach the very important choke point named as Strait of Hormuz which is in the influence of Iran. Through CPEC China has able to reach that state and the influence of China is strengthen by Iran-KSA rapprochement and mediator was China. Similarly the development of Chabahar port is another big concern of China. The peace and stability within region as well as world unite on China but other powerful states want to contain China through propaganda.

Furthermore, according to scholars philosophers and scholars the China is not only trade rival of USA but also systematic rival means that challenged

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The existing system of USA. USA is hegemonic power and maintaining their image through active institutions in the world as well as active player in institutions. Similarly, the institutions created with the concern of hegemonic states as well as hegemonic state used their institutions for their own interest. So, China at Asia as well as global level systematic rival of USA. China makes its own institutions.

The institutional overlapped is happened on the one hand China is big investor in world bank, on the other hand China has made AFTB. Similarly, China has made BRI and CPEC for trade. China has shown that systematic change. In Russia - Ukraine war the western countries as well as USA gave policy of SWIFT but China has not converge with them and gave policy of cross border trade with Russia in local currencies and better system that is clear message to USA and western countries that China is systematic rival and challenging the existing system. Similarly, China has want to process of de-dollarization and want to strengthen their economy. The institutions made by USA now facing the alternative challenge by China and China is influencing in world politics through these institutions.

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Furthermore, in middle Eastern countries USA has highly engaged with countries but supporting the **Israel** affects the influence of **USA**, but **China** is not against the genocide in Palestine that's why middle eastern countries have softer image for China. Similarly West and USA **exploited** the Africa very much and the region has got harassed with West and America. China has also filled this vacuum through different projects with **African countries**, but CPEC and string of pearls are the major project by which China get direct access of African states moreover, China has investing in development and infrastructure projects in Africa which is good signal for China to make a softer image in African region. Similarly through **CPEC** easy access to Central Asian region and from Central Asian region to Eurasia and central Europe. The CPEC has offered so many opportunities for the Pakistan and China as well as for the world.

Through CPEC those countries which are landlocked but they want to trade with the rest of world benefited highly. They have also **chance** to make **bilateral** treaties with those countries which are hosting the routes of CPEC and influence their trade to market as it can be said that ~~that the CPEC has dynamic in nature~~

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higher the competition in trade lesser the threat of war and also lesser the cost of product by which inflation can be reduced. Through CPEC and other projects the socio-economic competition in the world has emerged, every state would to take part actively cross border trade. The cross border or within regions trades can promote the idea of globalization by which the idea of nationalism and regionalism can be reduced. In the globalization the common interests of all the states are linked with each other and they are not able or afford the war at any cost. The trade among states has promoting long lasting peace which is essential for every activity.

Furthermore, the gap between the global north and global south has been reducing. The global south has exploited more and due to exploitation development is minimized. Consequently, CPEC works as balancing the international competition of economy among USA and China, By CPEC it is possible that China trade with Asian as well middle eastern countries in local currencies by which the day by day process of de-dollarization has emerged and local currencies can be strengthened. There are not only de-dollarization but also competitive technology of China replaces the so many markets in these regions as well as in the world.

In a Nutshell, the CPEC has capability to boost the economy of Pakistan as well as the trade of China. The CPEC is not only trade route but also promoting regional stability and peace. CPEC has also spread security among Asian states and promotion of cultural diplomacy. Similarly, it reduces the cross border trade barriers by which common interest and mutual interdependence has rise as well as CPEC influencing as a balancing act in politics of South Asia. Moreover through CPEC connectivity of three regions has possible. Furthermore, the CPEC has affects in world politics directly. Firstly, it is a subject to USA-China trade rivalry. Additionally it reduces the Malacca dilemma for China and China has able to come near to important choke points. Similarly, through CPEC China has focused on Naval power and the China declared as a systematic rival of USA, because China has made alternative initiatives which are contradictory to existing channels. The CPEC has emerged as a most influential project for China-Pakistan as well as for Asian region which can give direction to the future development of the region.

Improve grammar mistakes